

TERMS & CONDITIONS FOR AVAILING MARGIN TRADING FACILITY (MTF)

- I. Dhani Stocks Limited (Formerly Indiabulls Securities Limited & Indiabulls Commodities Limited, herein referred to as “The broker / Stock Broker”) is engaged, inter alia, in the business of stock broking and is a Trading Member of National Stock Exchange (NSE), BSE Limited (BSE), NCDEX and MCX with SEBI Registration Number INZ000036136 and NSE Membership Number – 08756 (Capital Market, Future & Option, Currency Derivative Segment) ; BSE Membership Number – 907 (Capital Market, Future & Option Segment); NCDEX Member Code: 00010 and MCX Member Code: 12835.
- II. The broker is engaged in providing Margin Trading Facility (hereinafter referred to as MTF), and the client is desirous of availing Margin Trading Facility from it. The client has approached the broker with request to avail MTF. Upon the request of the client, the broker has agreed to provide the MTF facility to the client.

III. Rights of Stock Broker & Client

Rights of Client

1. Client shall receive all communications in a mode mutually agreed, i.e. on email or physical mode, between the broker and the client, regarding confirmation of orders/trades, margin calls, decision to liquidate the position / security.
2. Client shall be free to take the delivery of the securities at any time by repaying the amounts that was paid by the Stock Broker to the Exchange towards securities.
3. Client has a right to change the securities collateral offered for Margin Trading Facility at any time so long as the securities so offered are approved for margin trading facility.
4. Client may close / terminate the Margin Trading Account at any time after paying the dues.

Rights of Stock Broker

1. Stock Broker and client may agree between themselves the terms and condition including commercial terms if any before commencement of MTF.
2. Stock broker may set up its own risk management policy that will be applicable to the transactions done under the Margin Trading Facility. Stock broker may make amendments thereto at any time but give effect to such policy after the amendments, in line with SEBI / Exchange circulars issued from time to time, are duly communicated to the clients registered under the Margin Trading Facility.
3. The broker has a right to retain the securities provided as collateral or the securities bought by the client under the Margin Trading Facility.
4. The broker may liquidate the securities in situations/conditions as specified/directed by SEBI/stock exchanges and/or if the client fails to meet the margin call made by the broker but same shall not exceed 05 working days from the day of margin call.
5. The stock broker, based on the risk assessment, shall have the discretion to impose/collect higher initial margin than the margin specified below:

Category of Stock	Applicable margin
Group I stocks available for trading in the F & O Segment	VaR + 3 times of applicable ELM*
Group I stocks other than F&O stocks	VaR + 5 times of applicable ELM*

*For aforesaid purpose the applicable VaR and ELM shall be as in the cash segment for a particular stock

6. Stock Broker/ Trading Member shall liquidate the securities and other collateral, if the client fails to meet the margin call to comply with the margin requirement as specified by Stock Exchange/ SEBI/ Stock Broker/ Trading Member.

Client Signature:  _____


IV. Obligations of Stock Broker & Client

Obligations of Client

1. Client shall, in writing in his own hand or in any irrefutable electronic method, agree to avail of Margin Trading Facility in accordance with the terms and conditions of Margin Trading Facility offered by the broker.
2. Client shall inform the broker of its intent to shift the identified transaction under Margin Trading Facility within an hour of execution of transaction specified by the broker failing which the transaction will be treated under the normal trading facility
3. Client shall place the margin amounts as the Stock Broker may specify to the client from time to time.
4. On receipt of 'margin call', the client shall make good such deficiency in the amount of margin placed with the Stock Broker within such time as the Stock Broker may specify.
5. By agreeing to avail Margin Trading Facility with the broker, client is deemed to have authorized the broker to retain the securities provided as collateral or purchased under the Margin Trading Facility till the amount due in respect of the said transaction including the dues to the broker is paid in full by the client.
6. Client shall lodge protest or disagreement with any transaction done under the margin trading facility within statutory period of limitation.
7. The initial margin payable by the client to the stock broker shall be in the form of cash, cash equivalent or Group I equity shares with appropriate haircut.

Obligations of Stock Broker

1. Stock broker shall agree with the client the terms and condition before extending Margin Trading Facility to such client. However, for clients who already have existing trading relationship and want to avail of Margin Trading Facility, stock broker may take consent in writing in his own hand or in any irrefutable electronic method after stock broker has communicated the terms and conditions of Margin Trading Facility to such existing clients.
2. The terms and conditions of Margin Trading Facility shall be identified separately, in a distinct section if given as a part of account opening agreement.
3. The mode of communication of order confirmation, margin calls or liquidation of position/security shall be as agreed between the broker and the client and shall be in writing in his own hand or in any irrefutable electronic method. Stock broker shall prescribe and communicate its margin policies on haircuts/ VAR margins subject to minimum requirements specified by SEBI and exchanges from time to time.
4. The Stock Broker shall monitor and review on a continuous basis the client's positions with regard to MTF.
5. Any transaction to be considered for exposure to MTF shall be determined as per the policy of the broker provided that such determination shall happen not later than T + 1 day.
6. If the transaction is entered under margin trading account, there will not be any further confirmation that it is margin trading transaction other than contract note.
7. In case the determination happens after the issuance of contract, the broker shall issue appropriate records to communicate to Client the change in status of transaction from Normal to Margin trading and should include information like the original contract number and the margin statement and the changed data.
8. The Stock Broker shall make 'margin call' requiring the client to place such margin; any such call shall clearly indicate the additional/deficient margin to be made good.

Client Signature:  _____

9. Time period for liquidation of position/security shall be in accordance declared policy of the broker as applicable to all MTF clients consistently. If securities are liquidated, the contract note issued for such margin call related transactions shall carry an asterisk or identifier that the transaction has arisen out of margin call.
10. The daily margin statements sent by broker to the client shall identify the margin/collateral for Margin Trading separately.
11. Margin Trading Accounts where there was no transactions for 90 days shall be settled immediately.
12. The stocks deposited as collateral with the stock broker for availing margin trading facility (Collaterals) and the stocks purchased under the margin trading facility (Funded stocks) shall be identifiable separately and there shall not be any comingling for the purpose of computing funding amount.
13. Stock Broker/ Trading Member shall not use the funds of one client to provide MTF to another client, even if the same is authorized by the first client

V. **Miscellaneous**

1. Margin Trading Facility shall carry interest on the funded amount as mutually agreed however same shall not exceed 24 % per annum.
2. The Client may at his risk as to cost and consequences, choose to sell the Shares prior to receipt of confirmation from the Stock Exchange of delivery of Securities against his Purchase, and in such situation, the Client shall be fully responsible to bear the losses / costs arising due to auctions / closeout by the Stock Exchange, in the event the delivery against purchase fails to materialise
3. Where the Shares are sold as provided above, the broker will effect the pay-in of Shares to the Stock Exchange in accordance with the Stock Exchange requirements. Upon receipt of sale proceeds from the Stock Exchange towards the sale of Shares, The broker shall, after deducting therefrom brokerage, fees, charges, levies, taxes, duties and other costs, charges and expenses, and further deducting amounts due to it from the Client on account of moneys paid by The broker on his behalf to the Stock Exchange at the time of purchase of Shares, effect the net payment to the Client
4. The broker may, at its sole and absolute discretion, revise the limit of initial and/or maintenance margin amount from time to time. The Client agrees and undertakes to abide by such revision, and where there is an upward revision of such margin amount, he agrees to make up the shortfall within such time as The broker may permit, failing which the Client shall be deemed to be in breach of this Agreement.
5. The MTF shall be provided only in respect of such Shares as may be permitted by Stock Exchange/SEBI from time to time.
6. The Client may furnish further Margin from time to time for availing higher MTF Limit.
7. **Severability:** If any of these terms and conditions is or becomes illegal, invalid or unenforceable, the same shall not affect the legality, validity or enforceability of any other term or condition. Further the invalid or unenforceable provision will be deemed superseded by a valid, enforceable provision that most closely matches the intent of the original provision
8. The Client agrees that he will remain informed by visiting Exchange websites about changes in the eligible stocks / collaterals that can be purchased / furnished for the Margin Trading Facility. The Client further agrees that he will take necessary action to replenish the stocks as collaterals in case of any margin shortfall to avoid any RMS Actions

VI. **Termination of Relationship**

1. The margin trading arrangement between the stock broker and the client shall be terminated; if the Stock Exchange, for any reason, withdraws the margin trading facility provided to the Stock Broker or the Stock Broker surrenders the facility or the Stock Broker ceases to be a member of the stock exchange.

Client Signature:  _____

2. The MTF facility may be withdrawn by the broker, in the event of client committing any breach of any terms or conditions therein or at any time after due intimation to client allowing such time to liquidate the MTF position as per the agreed liquidation terms without assigning any reason. Similarly, client may opt to terminate the margin trading facility in the event of broker committing any breach of any terms or conditions therein or for any other reason.
3. In the event of termination of this arrangement, the client shall forthwith settle the dues of the Stock Broker. The Stock Broker shall be entitled to immediately adjust the Margin Amount against the dues of the client, and the client hereby authorizes the Stock Broker to make such adjustment.
4. After such adjustment, if any further amount is due from the client to the Stock Broker, the client shall settle the same forthwith. Upon full settlement of all the dues of the client to the Stock Broker, the Stock Broker shall release the balance amount to the client.

VII. **Dispute Resolution**

1. Any disputes arising between the client and the stock broker in connection with the margin trading facility shall have the same treatment as normal trades and should be covered under the investor grievance redressal mechanism, arbitration mechanism of the stock exchange
2. SGF and IPF shall be available for transactions done on the exchange, whether through normal or margin trading facility. However, any losses suffered in connection with the margin trading facility availed by the client from the stock broker shall not be covered under IPF.

Signature of the Client:

Name of the Client:

Client ID:

Date: